

**MILLER-MCCOY ACADEMY
FOR MATHEMATICS AND BUSINESS
NEW ORLEANS, LOUISIANA**

Audit of Financial Statements

June 30, 2013



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Independent Auditor's Report

To the Board of Directors
Miller-McCoy Academy for Mathematics and Business
New Orleans, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of Miller-McCoy Academy for Mathematics and Business (the School) which comprise the statement of financial position as of June 30, 2013, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Miller-McCoy Academy for Mathematics and Business as of June 30, 2013, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of board of directors is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects, in relation to the financial statements as a whole.

The Performance and Statistical Data, included as Schedules 1 through 9, is not a required part of the basic financial statements, but is supplementary information required by Louisiana State Law. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. We have applied certain limited procedures, which are described in the Independent Accountant's Report on Applying Agreed-Upon Procedures. However, we did not audit this information and, accordingly, express no opinion on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2013, on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.



A Professional Accounting Corporation

Covington, LA
December 20, 2013

MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS
NEW ORLEANS, LOUISIANA
Statement of Financial Position
June 30, 2013

Assets	
Current Assets	
Cash and Cash Equivalents	\$ 552,200
Grants Receivable	150,544
Prepaid Expenses	<u>8,670</u>
Total Assets	<u><u>\$ 711,414</u></u>
Liabilities and Net Assets	
Current Liabilities	
Accounts Payable	\$ 178,646
Accrued Expenses	<u>161,019</u>
Total Liabilities	<u>339,665</u>
Net Assets	
Unrestricted	<u>371,749</u>
Total Net Assets	<u>371,749</u>
Total Liabilities and Net Assets	<u><u>\$ 711,414</u></u>

The accompanying notes are an integral part of these financial statements.

MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS
NEW ORLEANS, LOUISIANA
Statement of Activities
For the Year Ended June 30, 2013

	Unrestricted
Revenue, Grants, and Other Support	
State Public School Funding	\$ 3,416,562
Federal Sources	398,921
Other Income	98,654
Private Grants and Donations	<u>65,384</u>
Total Revenue, Grants, and Other Support	<u>3,979,521</u>
Expenses	
Program Services	
Regular Education Programs	1,694,638
School Administration	631,134
Student Transportation Services	468,512
Special Education Programs	389,479
Pupil Support Services	197,799
Operation and Maintenance of Plant Services	94,686
Other Instructional Programs	62,878
Food Service Operations	38,236
Instructional Staff Services	19,376
Management and General	
General Administration	206,205
Business Services	157,840
Central Services	<u>1,115</u>
Total Expenses	<u>3,961,898</u>
Change in Net Assets	17,623
Net Assets, Beginning of Year	<u>354,126</u>
Net Assets, End of Year	<u><u>\$ 371,749</u></u>

The accompanying notes are an integral part of these financial statements.

MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS
NEW ORLEANS, LOUISIANA
Statement of Cash Flows
For the Year Ended June 30, 2013

Cash Flows from Operating Activities	
Change in Net Assets	\$ 17,623
Adjustments to Reconcile Change in Net Assets to	
Net Cash Used in Operating Activities	
(Increase) Decrease in:	
Grants and Other Receivables	(78,513)
Prepaid Expenses	7,130
Increase (Decrease) in:	
Accounts Payable	92,767
Accrued Expenses	(55,942)
Net Cash Used in Operating Activities	(16,935)
Net Decrease in Cash and Cash Equivalents	(16,935)
Cash and Cash Equivalents, Beginning of Year	569,135
Cash and Cash Equivalents, End of Year	\$ 552,200

The accompanying notes are an integral part of these financial statements.

**MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS
NEW ORLEANS, LOUISIANA**

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies

Miller-McCoy Academy for Mathematics and Business (the School) applied to the Louisiana State Board of Elementary and Secondary Education (BESE) to operate a Type V charter school as defined in Louisiana Revised Statute (LRS) 17:3971, et. seq. The School serves eligible students in grades 5 through 12, primarily in Orleans Parish.

A summary of the School's significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

Financial Statement Presentation

The School follows the guidance of the *Not-for-Profit Entities* Topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). The School is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. In addition, the School is required to present a statement of cash flows.

The School also follows the guidance of the *Not-for-Profit Entities* Topic of the FASB ASC, whereby contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Restricted net assets are reclassified to unrestricted net assets upon satisfaction of the donor-imposed time or purpose restrictions. Restricted contributions, for which the restriction is met in the same year, are classified as unrestricted.

Basis of Accounting

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported on the financial statements. The financial statements of the School are prepared on the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred.

Revenues

The School's primary source of funding is through the State Public School Fund. The School receives funding per eligible student in attendance on October 1st, payable in monthly installments. The School received \$3,416,562 from the State based on eligible students in attendance. State and federal grants are on a cost reimbursement basis. An accrual is made when eligible expenses are incurred.

Grants Receivable

As of June 30, 2013, based on management's experience with the collection of grants from the State of Louisiana, the receivable is considered to be fully collectible.

**MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS
NEW ORLEANS, LOUISIANA**

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Fixed Assets and Depreciation

The School presently does not have any fixed assets. All fixed assets are the property of the Recovery School District and as such are the responsibility of the Recovery School District. Betterments, which naturally add to the value of related assets or materially extend the useful lives of assets, are capitalized. Fixed assets are capitalized when the value of a single item exceeds \$5,000 and the item's useful life exceeds one year with reasonable expectation. Normal building maintenance and minor equipment purchases are included as expenses of the School.

Income Taxes

The School is recognized by the Internal Revenue Service as a Section 501(c)(3) tax-exempt organization. However, income from certain activities not directly related to the School's tax-exempt purpose is subject to taxation as unrelated business income.

Statement of Cash Flows

For purposes of the statement of cash flows, the School considers all liquid investments purchased with an original maturity of three months or less to be cash equivalents.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Concentrations

The School received 86% of its revenues for the year ended June 30, 2013, from the State of Louisiana (the State), subject to its charter agreement with the State, and 10% of its funding from the federal government.

Concentrations of Credit Risk Arising from Cash Deposits in Excess of Insured Limits

The School periodically maintains cash in bank accounts in excess of insured limits. The School has not experienced any losses and does not believe that significant credit risk exists as a result of this practice.

Compensated Absences

The School grants all contracted employees of the School a total of 10 days of sick pay per year, provided that the employee is contracted for a full year. The employee must use all sick pay by July 1st of each year. Unused sick pay is not paid out to employees.

Note 2. Cash and Cash Equivalents

The School's cash and cash equivalents (book balances) at June 30, 2013, were \$552,200, which are stated at cost which approximates market.

**MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS
NEW ORLEANS, LOUISIANA**

Notes to Financial Statements

Note 3. Grants Receivable

As of June 30, 2013, grants receivable consisted of amounts due from the following sources:

Federal Grants	\$ 135,065
Other	<u>15,479</u>
Total	<u>\$ 150,544</u>

All amounts listed above are considered fully collectible.

Note 4. Retirement Plan

Employees of the School are eligible to participate in the defined contribution plan administered by Hartford. Pertinent information relative to the plan follows:

Plan Description

The plan is a 403(b) defined contribution plan.

Funding Policy

Employees are allowed to make contributions during the year subject to the limitations imposed by the IRS. The School's contribution for the year ended June 30, 2013 was \$45,072.

Note 5. Fixed Assets

No depreciation expense was incurred for 2013; the Recovery School District provided computers and other capital supplies, as well as leased space to the School. Therefore, no fixed assets were in service for the 2012 - 2013 school year.

All assets acquired with Louisiana Department of Education funds are owned by the School while used in the purpose for which they were purchased. The Louisiana Department of Education, however, has a reversionary interest in these assets. Should the charter not be renewed, title in any assets purchased with those funds will transfer to the appropriate agency.

Note 6. Leases

The School is obligated under a lease with the Recovery School District (RSD) for the modular campus located at 7301 Dwyer Road, New Orleans, Louisiana. The lease is classified as an operating lease and the lease term coincides with the terms of the charter contract between the School and BESE. The RSD will forgo any lease payments for the term of the lease.

**MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS
NEW ORLEANS, LOUISIANA**

Notes to Financial Statements

Note 6. Leases (Continued)

The School is obligated under two leases for copiers. Both lease agreements are classified as operating leases. One lease has a term of 60 months with a monthly base charge of \$427 which began in February 2012. The other lease has a term of 36 months with a monthly base charge of \$598 which began in September 2010.

Future minimum lease payments are as follows for the years ended June 30th:

Year	Amount
2014	\$ 6,917
2015	5,124
2016	5,124
2017	5,124
2018	<u>3,416</u>
Total	<u><u>\$ 25,705</u></u>

Note 7. Advertising

The School expenses advertising costs as incurred. Advertising costs are incurred primarily in the recruitment of students. Current year advertising expense was \$18,859.

Note 8. Uncertain Income Taxes

The School's 2009, 2010, and 2011 tax returns were filed appropriately. As of December 20, 2013, the School had not filed their 2012 tax return. The School recognizes interest and penalties, if any, related to unrecognized tax benefits in income tax expense. The School's tax filings are subject to audit by various taxing authorities. The School's open audit periods are 2009 through 2011. Management has evaluated the School's tax position and concluded that the School has taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance.

Note 9. Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, December 20, 2013, and determined that no other events occurred that require disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

**SCEUDLES REQUIRED BY LOUISIANA STATE LAW
(R.S. 24:514 - PERFORMANCE AND STATISTICAL DATA)**

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors
Miller-McCoy Academy for Mathematics and Business
New Orleans, Louisiana

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Miller-McCoy Academy for Mathematics and Business (the School) and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the performance and statistical data accompanying the annual financial statements of Miller-McCoy Academy for Mathematics and Business, and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE). This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and *Governmental Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings that relate to the accompanying schedules of supplementary information are as follows:

General Fund Instructional and Support Expenditures and Certain Local Revenue Sources (Schedule 1)

1. We selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts reported on the schedule:
 - Total General Fund Instructional Expenditures
 - Total General Fund Equipment Expenditures
 - Total Local Taxation Revenue
 - Total Local Earnings on Investment in Real Property
 - Total State Revenue in Lieu of Taxes
 - Nonpublic Textbook Revenue
 - Nonpublic Transportation Revenue

Findings:

None

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Education Levels of Public School Staff (Schedule 2)

2. We reconciled the total number of full time classroom teachers per the schedule “Experience of Public Principals, Assistant Principals and Full Time Classroom Teachers” (Schedule 4) to the combined total number of full time classroom teachers per this schedule, and to the School’s supporting payroll records, as of October 1st.
3. We reconciled the combined total of principals and assistant principals per the schedule “Experience of Public Principals, Assistant Principals and Full Time Classroom Teachers” (Schedule 4) to the combined total of principals and assistant principals per this schedule.
4. We obtained a list of principals, assistant principals and full time teachers by classification as of October 1st, and as reported on the schedule. We traced 25 of the teachers to the individual’s personnel file to determine if the individual’s education level was properly classified on the schedule.

Findings:

None

Number and Type of Public Schools (Schedule 3)

5. We obtained a list of schools by type as reported on the schedule. We compared the list to the Schools and grade levels as reported on the Title I Grants to Local Educational Agencies (CFDA 84.010) application.

Findings:

None

Experience of Public Principals, Assistant Principals and Full Time Classroom Teachers (Schedule 4)

6. We obtained a list of principals, assistant principals and full time teachers by classification as of October 1st, and as reported on the schedule and traced the same sample used in procedure 4 to the individual’s personnel file and determined if the individual’s experience was properly classified on the schedule.

Findings:

None

Public School Staff Data (Schedule 5)

7. We obtained a list of all classroom teachers including their base salary, extra compensation, and ROTC or rehired retiree status, as well as full time equivalents as reported on the schedule, and traced each to the individual's personnel file and determined if the individual's salary, extra compensation, and full time equivalents were properly included on the schedule.
8. We recalculated the average salaries and full time equivalents reported on the schedule.

Findings:

None

Class Size Characteristics (Schedule 6)

9. We obtained a list of classes by school, school type, and class size as reported on the schedule and reconciled school type classifications to Schedule 3 data, as obtained in procedure 5. We then traced a random sample of 10 classes to the October 1st roll books for those classes and determined if the class was properly classified on the schedule.

Findings:

None

Louisiana Educational Assessment Program (LEAP) (Schedule 7)

10. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported on the schedule by the School.

Findings:

None

Graduation Exit Exam (Schedule 8)

11. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported on the schedule by the School.

Findings:

None

iLEAP Test Results (Schedule 9)

12. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported on the schedule by the School.

Findings:

None

We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Miller-McCoy Academy for Mathematics and Business, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

A handwritten signature in cursive script that reads "LaForte".

A Professional Accounting Corporation

Covington, LA
December 20, 2013

MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS
Schedules Required by Louisiana State Law
(R.S. 24:514 - Performance and Statistical Data)
As of and For the Year Ended June 30, 2013

Schedule 1 - General Fund Instructional and Support Expenditures and Certain Local Revenue Sources

This schedule includes general fund instructional and equipment expenditures. It also contains local taxation revenue, earnings on investments, revenue in lieu of taxes and nonpublic textbook and transportation revenue. This data is used either in the Minimum Foundation Program (MFP) formula or is presented annually in the MFP 70% Expenditure Requirement Report.

Schedule 2 - Education Levels of Public School Staff

This schedule includes the certificated and uncertificated number and percentage of full time classroom teachers and the number and percentage of principals and assistant principals with less than a Bachelor's; Bachelor's; Master's; Master's +30; Specialist in Education; and Ph. D. or Ed. D. degrees. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 3 - Number and Type of Public Schools

This schedule includes the number of elementary, middle/junior high, secondary and combination schools in operation during the fiscal year. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 4 - Experience of Public Principals, Assistant Principals and Full Time Classroom Teachers

This schedule includes the number of years of experience in teaching for principals, assistant principals and full time teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 5 - Public School Staff Data

This schedule includes average classroom teachers' salary using full time equivalents, including and excluding ROTC and rehired retiree teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 6 - Class Size Characteristics

This schedule includes the percent and number of classes with student enrollment in the following ranges: 1-20, 21-26, 27-33, and 34+ students. This data is currently reported to the Legislature in the Annual School Report (ASR).

Schedule 7 - Louisiana Educational Assessment Program (LEAP)

This schedule represents student performance testing data and includes summary scores for grades 4 and 8 in each category tested. Scores are reported as Advanced, Mastery, Basic, Approaching Basic, and Unsatisfactory. This schedule includes three years of data.

Schedule 8 - Graduation Exit Exam

This schedule represents student performance testing data and includes summary scores for grades 10 and 11 in each category tested. Scores are reported as Advanced, Mastery, Basic, Approaching Basic, and Unsatisfactory. This schedule includes three years of data.

MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS
Schedules Required by Louisiana State Law
(R.S. 24:514 - Performance and Statistical Data) (Continued)
As of and For the Year Ended June 30, 2013

Schedule 9 - iLEAP Test Results

This schedule represents student performance testing data and includes a summary score for grades 3, 5, 6, 7, and 9 in each category tested. The summary score reported is the Percentile Rank showing relative position or rank as compared to a large, representative sample of students in the same grade from the State. This schedule includes three years of data.

**MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS
NEW ORLEANS, LOUISIANA
General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2013**

Schedule 1

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities

Classroom Teacher Salaries	\$ 1,230,614
Other Instructional Staff Salaries	37,024
Instructional Staff Employee Benefits	229,362
Purchased Professional and Technical Services	262,696
Instructional Materials and Supplies	69,965
Instructional Equipment	381

Total Teacher and Student Interaction Activities \$ 1,830,042

Other Instructional Activities 2,550

Pupil Support Services	197,799
Less: Equipment for Pupil Support Services	-

Net Pupil Support Services 197,799

Instructional Staff Services	14,262
Less: Equipment for Instructional Staff Services	-

Net Instructional Staff Services 14,262

School Administration	555,759
Less: Equipment for School Administration	2,436

Net School Administration 553,323

Total General Fund Instructional Expenditures \$ 2,597,976

Total General Fund Equipment Expenditures \$ 2,817

Certain Local Revenue Sources

Local Taxation Revenue

Constitutional Ad Valorem Taxes	\$ -
Renewable Ad Valorem Tax	-
Debt Service Ad Valorem Tax	-
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes	-
Sales and Use Taxes	-

Total Local Taxation Revenue \$ -

Local Earnings on Investment in Real Property

Earnings from 16th Section Property	\$ -
Earnings from Other Real Property	-

Total Local Earnings on Investment in Real Property \$ -

State Revenue in Lieu of Taxes

Revenue Sharing - Constitutional Tax	\$ -
Revenue Sharing - Other Taxes	-
Revenue Sharing - Excess Portion	-
Other Revenue in Lieu of Taxes	-

Total State Revenue in Lieu of Taxes \$ -

Nonpublic Textbook Revenue	\$ -
Nonpublic Transportation Revenue	-

See independent accountant's report on applying agreed-upon procedures.

MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS
NEW ORLEANS, LOUISIANA
Education Levels of Public School Staff
As of October 1, 2012

Schedule 2

Category	Full Time Classroom Teachers				Principals and Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree								
Bachelor's Degree	11	69%	11	69%				
Master's Degree	5	31%	5	31%			2	100%
Master's Degree +30								
Specialist in Education								
Ph. D. or Ed. D.								
Total	16	100%	16	100%	0	0%	2	100%

See independent accountant's report on applying agreed-upon procedures.

MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS
NEW ORLEANS, LOUISIANA
Number and Type of Public Schools
For the Year Ended June 30, 2013

Schedule 3

Type	Number
Elementary	
Middle/Jr. High	
Secondary	
Combination	1
Total	1

See independent accountant's report on applying agreed-upon procedures.

MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS
NEW ORLEANS, LOUISIANA
Experience of Public Principals, Assistant Principals
and Full Time Classroom Teachers
As of October 1, 2012

Schedule 4

	0 - 1 Yr.	2 - 3 Yrs.	4 -10 Yrs.	11 - 14 Yrs.	15 - 19 Yrs.	20 - 24 Yrs.	25+ Yrs.	Total
Assistant Principals					1			1
Principals				1				1
Classroom Teachers	6	4	12	6		1	3	32
Total	6	4	12	7	1	1	3	34

See independent accountant's report on applying agreed-upon procedures.

MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS
NEW ORLEANS, LOUISIANA
Public School Staff Data
For the Year Ended June 30, 2013

Schedule 5

	All Classroom Teachers	Classroom Teachers Excluding ROTC, Rehired Retirees and Flagged Salary Reductions
Average Classroom Teachers' Salary Including Extra Compensation	\$49,645	\$49,645
Average Classroom Teachers' Salary Excluding Extra Compensation	\$48,781	\$48,781
Number of Teacher Full Time Equivalents (FTEs) used in Computation of Average Salaries	30.33	30.33

See independent accountant's report on applying agreed-upon procedures.

MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS
NEW ORLEANS, LOUISIANA
Class Size Characteristics
As of October 1, 2012

Schedule 6

	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
School Type								
Combination	66%	65	22%	22	8%	8	4%	4
Combination Activity Classes	29%	8	36%	10	14%	4	21%	6

See independent accountant's report on applying agreed-upon procedures.

MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS
NEW ORLEANS, LOUISIANA
Louisiana Educational Assessment Program (LEAP)
For the Year Ended June 30, 2013

Schedule 7

District Achievement Level Results	English Language Arts						Mathematics						Science						Social Studies					
	2013		2012		2011		2013		2012		2011		2013		2012		2011		2013		2012		2011	
Students	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%
Grade 8																								
Advanced	0	0%	1	2%	1	1%	0	0%	1	2%	1	1%	0	0%	1	2%	0	0%	0	0%	0	0%	0	0%
Mastery	1	2%	4	9%	6	8%	0	0%	2	5%	2	3%	2	3%	5	11%	10	13%	1	2%	4	9%	9	12%
Basic	26	45%	24	52%	33	45%	23	40%	25	54%	41	56%	24	41%	17	37%	30	40%	28	48%	27	59%	40	52%
Approaching Basic	23	40%	16	35%	25	35%	20	34%	17	37%	15	21%	23	40%	19	41%	20	26%	16	28%	11	23%	19	25%
Unsatisfactory	8	13%	1	2%	8	11%	15	26%	1	2%	14	19%	9	16%	4	9%	16	21%	13	22%	4	9%	8	11%
Total	58	100%	46	100%	73	100%	58	100%	46	100%	73	100%	58	100%	46	100%	76	100%	58	100%	46	100%	76	100%

Note: The School did not have grade 4 during any of the years listed.

See independent accountant's report on applying agreed-upon procedures.

MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS
NEW ORLEANS, LOUISIANA
Graduation Exit Exam
For the Year Ended June 30, 2013

Schedule 8

District Achievement Level Results	English Language Arts						Mathematics					
	2013		2012		2011		2013		2012		2011	
Students	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%
Grade 10												
Advanced	N/A		N/A		0	0%	N/A		N/A		1	2%
Mastery	N/A		N/A		1	2%	N/A		N/A		1	2%
Basic	N/A		N/A		12	21%	N/A		N/A		15	24%
Approaching Basic	N/A		N/A		17	29%	N/A		N/A		16	26%
Unsatisfactory	N/A		N/A		28	48%	N/A		N/A		28	46%
Total	N/A		N/A		58	100%	N/A		N/A		61	100%

District Achievement Level Results	Science						Social Studies					
	2013		2012		2011		2013		2012		2011	
Students	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%
Grade 11												
Advanced	N/A		1	3%	0	0%	N/A		0	0%	0	0%
Mastery	N/A		1	3%	3	5%	N/A		1	3%	0	0%
Basic	N/A		12	39%	28	42%	N/A		16	52%	22	33%
Approaching Basic	N/A		7	23%	13	20%	N/A		9	29%	26	39%
Unsatisfactory	N/A		10	32%	22	33%	N/A		5	16%	18	28%
Total	N/A		31	100%	66	100%	N/A		31	100%	66	100%

Note: The State of Louisiana did not perform 10th Grade Graduation Exit Exam testing for English and Mathematics during 2012 and 2013 or 11th Grade Graduation Exit Exam testing for Science and Social Studies during 2013.

See independent accountant's report on applying agreed-upon procedures.

MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS
NEW ORLEANS, LOUISIANA
iLEAP Test Results
For the Year Ended June 30, 2013

Schedule 9

District Achievement Level Results	English Language Arts						Mathematics						Science						Social Studies					
	2013		2012		2011		2013		2012		2011		2013		2012		2011		2013		2012		2011	
Students	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%
Grade 5																								
Advanced	0	0%	7	17%	0	0%	0	0%	0	0%	1	3%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0.00%
Mastery	1	7%	4	10%	1	3%	0	0%	0	0%	1	3%	0	0%	1	2%	2	6%	0	0%	0	0%	2	6%
Basic	8	53%	11	26%	8	27%	6	40%	12	29%	11	37%	6	40%	11	26%	5	16%	3	20%	14	33%	10	32%
Approaching Basic	3	20%	7	17%	11	35%	4	27%	8	19%	8	27%	6	40%	12	29%	17	55%	6	40%	10	24%	10	32%
Unsatisfactory	3	20%	13	30%	11	35%	5	33%	22	52%	9	30%	3	20%	18	43%	7	23%	6	40%	18	43%	9	30%
Total	15	100%	42	100%	31	100%	15	100%	42	100%	30	100%	15	100%	42	100%	31	100%	15	100%	42	100%	31	100%

District Achievement Level Results	English Language Arts						Mathematics						Science						Social Studies					
	2013		2012		2011		2013		2012		2011		2013		2012		2011		2013		2012		2011	
Students	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%
Grade 6																								
Advanced	0	0%	1	1%	0	0%	0	0%	2	2%	2	2%	0	0%	2	2%	3	4%	0	0%	9	10%	7	8%
Mastery	2	4%	9	10%	5	6%	0	0%	6	7%	3	4%	0	0%	6	7%	5	6%	0	0%	10	12%	14	17%
Basic	20	36%	34	40%	38	46%	10	18%	35	41%	46	56%	15	27%	33	39%	43	52%	10	18%	37	43%	39	47%
Approaching Basic	15	27%	29	34%	28	34%	15	27%	18	21%	17	20%	21	38%	25	29%	24	28%	22	40%	20	23%	14	17%
Unsatisfactory	18	33%	13	15%	12	14%	30	55%	24	29%	15	18%	19	35%	20	23%	8	10%	23	42%	10	12%	9	11%
Total	55	100%	86	100%	83	100%	55	100%	85	100%	83	100%	55	100%	86	100%	83	100%	55	100%	86	100%	83	100%

District Achievement Level Results	English Language Arts						Mathematics						Science						Social Studies					
	2013		2012		2011		2013		2012		2011		2013		2012		2011		2013		2012		2011	
Students	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%
Grade 7																								
Advanced	1	1%	1	1%	0	0%	0	0%	1	1%	2	2%	1	1%	0	0%	2	2%	0	0%	8	8%	5	6%
Mastery	4	6%	7	7%	5	6%	2	2%	4	4%	1	1%	1	1%	5	5%	9	11%	19	26%	17	18%	10	12%
Basic	29	40%	44	47%	37	45%	27	38%	47	50%	46	57%	25	35%	30	31%	34	41%	21	30%	41	42%	47	57%
Approaching Basic	26	36%	34	35%	31	37%	20	28%	24	26%	19	23%	22	31%	32	33%	28	34%	13	18%	17	18%	14	17%
Unsatisfactory	12	17%	10	10%	10	12%	23	32%	18	19%	14	17%	23	32%	29	31%	10	12%	19	26%	13	14%	7	8%
Total	72	100%	96	100%	83	100%	72	100%	94	100%	82	100%	72	100%	96	100%	83	100%	72	100%	96	100%	83	100%

Note: The School had no grade 3 for each of the years listed above. In regards to grade 9, students no longer take the iLEAP as of June 30, 2011.

See independent accountant's report on applying agreed-upon procedures.

SUPPLEMENTARY INFORMATION

MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS
NEW ORLEANS, LOUISIANA
Schedule of Board of Directors
For the Year Ended June 30, 2013

<u>Board Members</u>	<u>Compensation</u>
Michael Todd, Chairman	\$-0-
Nat Jones, Vice-Chairman	\$-0-
Blake Oakes, Secretary	\$-0-
David Bailey, Treasurer	\$-0-
Ralph Brennan	\$-0-
Martin de Laoreal	\$-0-
Betty Hope	\$-0-
Damon Singleton	\$-0-
J. Benton Smallpage, Jr.	\$-0-
Randall Walker	\$-0-

All board members can be contacted through the School at (504) 373-6125.

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Independent Auditor's Report

To the Board of Directors
Miller-McCoy Academy for Mathematics and Business
New Orleans, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Miller-McCoy Academy for Mathematics and Business (the School), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated December 20, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

NEW ORLEANS HOUSTON BATON ROUGE COVINGTON

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The McGladrey Alliance is a premier affiliation of independent accounting and consulting firms. The McGladrey Alliance member firms maintain their name, autonomy and independence and are responsible for their own client fee arrangements, delivery of services and maintenance of client relationships.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purposes of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

A handwritten signature in cursive script that reads "LaForte".

A Professional Accounting Corporation

Covington, LA
December 20, 2013

MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS
NEW ORLEANS, LOUISIANA
Schedule of Findings and Responses
For the Year Ended June 30, 2013

Internal Control Over Financial Reporting

None.

Compliance and Other Matters

None.

**MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS
NEW ORLEANS, LOUISIANA
Schedule of Prior Year Findings and Responses
For the Year Ended June 30, 2013**

Internal Control Over Financial Reporting

2012 - 1 Contract Review and Approval

Condition: During our audit, we were made aware of a contract between the School and a service vendor which may violate the provisions of LRS 42:1112.

Status: This finding has been resolved.

Compliance and Other Matters

2012 - 2 Hiring and Employment Policies

Condition: Two siblings of the co-principal were employed by the School during the year, which may be a violation of the provisions of LRS 42:1119.

Status: This finding has been resolved.